



# **Budget Making Powers & City Charter**

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# Today's Presentation

- **San Diego and Budget Making Powers**
- **What do other cities do?**
- **What might commission examine?**
- **What might happen under the current charter?**

# San Diego Budget Making Powers

- **City Council and the Executive have overlapping responsibilities.**
- **Council: Charter Section 71 provide the Council with the power to prepare an appropriations ordinance using the Managers (Mayor's) annual estimate as the basis.**

# San Diego Budget Making Powers (continued)

- **Manager (Mayor): Charter section 81**  
“The Manager shall be responsible for establish internal budgetary allotments based on the allocations contained in the annual appropriation ordinance for each department of the City”
- **Nowhere in the charter (& we have been unable to find in the City Code) are “appropriations”, “internal allotments”, and “allocations” clearly defined.**

# San Diego Budget Making Powers (continued)

- Exacerbated because budgets and appropriations ordinances in San Diego have rarely, if ever, been programmatically specific.
- Proposition F removed the “check” inherent in City Manager-Council form of government. (i.e. check on Manager from moving money without seeking general consensus of council).

# Other Mayor-Council forms of Government in Large U.S. Cities



# Other Cities

- **Contacted in the Fall of 2006 after reviewing charters and municipal codes**
- **We queried multiple contacts the following questions**
  - **Could the Mayor spend less on department than what the council originally budgeted?**
  - **Could he do so, without returning to the council, even if such reductions “eliminated a program?”**
  - **What restrictions were in place in regarding assignments of contracts**



# Other Cities

- 12 out of 15 essentially provide unfettered Mayoral power.
- Examples:
  - Baltimore allows Mayor the power to shift funds within a department without council approval unless he wishes to transfer money outside of the department
  - Boston Mayor has unfettered discretion within a department OTHER than for personnel services (i.e. headcount reductions require council ascent)
  - Philadelphia: Appropriations ordinance makes broad based allocations to areas of personnel, outside contracts and equipment. Mayor has wide discretion to spend how he sees fit within these broad categories



# Other Cities (continued)

- **Los Angeles, Oakland, and Memphis have constraints**
  - **LA measures “work units” and requires reduction in these to be brought back to council**
  - **Oakland requires changes in service levels or “material changes to programs” to be brought back to council**
  - **Memphis. Programs can not be “eliminated” without council approval (but can be significantly scaled back)**

# Possible tasks for the Commission

- Lay out in greater clarity roles and responsibilities in budget making in the charter
  - What is an “appropriation” and what is an “internal allotment”?
  - Should the council not only appropriate funds but also authorize activities (federal model)?
  - Is the budget making process time constrained to provide for adequate oversight and legislative direction to the executive?

# What might happen under the current charter?

- Utilize Charter Section 270(i) explicit oversight provisions to have better information on what is occurring.
- Consider post-facto resolutions reversing Mayor's decisions – allows public to hear from both sides on thinking and justification.
- Greater detail in appropriations ordinance – call out programs for which majority of council believes city should be obligated, irrespective of changing circumstances, to carry out unless council affirms change.